

**GOD'S TEMPLE MINISTRY
AND
OUTREACH, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2008**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 10/21/09

GOD'S TEMPLE MINISTRY AND OUTREACH, INC.

DECEMBER 31, 2008

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CERTIFIED PUBLIC ACCOUNTANTS

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ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors
God's Temple Ministry and Outreach, Inc.
Bastrop, Louisiana

We have compiled the accompanying statement of financial position of God's Temple Ministry and Outreach, Inc. (a not-for-profit organization) as of December 31, 2008, and the related statements of activities, functional expenses and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Bond & Tousignant, LLC

September 15, 2009

GOD'S TEMPLE MINISTRY AND OUTREACH, INC.
STATEMENT OF FINANCIAL POSITION
December 31, 2008

Assets

Current Assets

Cash and Cash Equivalents	\$ 230
Grant Receivable	<u>8,120</u>
Total Current Assets	8,350

Property and Equipment

Furniture and Equipment	1,713
Less: Accumulated Depreciation	<u>(235)</u>
Total Property and Equipment	1,478

Total Assets

\$ 9,828

Liabilities and Net Assets

Current Liabilities

Accounts Payable	\$ <u>7,000</u>
Total Current Liabilities	<u>7,000</u>

Total Liabilities

7,000

Net Assets

Unrestricted - Undesignated	1,350
Unrestricted - Property and Equipment	<u>1,478</u>
Total Net Assets	2,828

Total Liabilities and Net Assets

\$ 9,828

See Accountants' Compilation Report.

GOD'S TEMPLE MINISTRY AND OUTREACH, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Support and Revenue			
Federal			
Grant - TANF TPP	\$ -	\$ 115,465	\$ 115,465
Contributions	1,537	-	1,537
Net Assets Released From Restrictions	115,465	(115,465)	-
Total Support and Revenue	<u>117,002</u>	<u>-</u>	<u>117,002</u>
Expenses			
Program Services			
Teenage Pregnancy Prevention	123,148	-	123,148
Total Program Services	<u>123,148</u>	<u>-</u>	<u>123,148</u>
Supporting Services			
Management and General	7,250	-	7,250
Total Supporting Services	<u>7,250</u>	<u>-</u>	<u>7,250</u>
Total Expenses	<u>130,398</u>	<u>-</u>	<u>130,398</u>
Increase (Decrease) in Net Assets	(13,396)	-	(13,396)
Net Assets at Beginning of Year	<u>16,224</u>	<u>-</u>	<u>16,224</u>
Net Assets at End of Year	<u>\$ 2,828</u>	<u>\$ -</u>	<u>\$ 2,828</u>

See Accountants' Compilation Report.

GOD'S TEMPLE MINISTRY AND OUTREACH, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Program Services</u>	<u>Supporting Services</u>	
	<u>Teen Pregnancy Prevention</u>	<u>Management and General</u>	<u>Total</u>
Bank Service Charge	\$ 33	\$ -	\$ 33
Contract Services	89,563	-	89,563
Depreciation	291	-	291
Loss on disposition of property	6,536	-	6,536
Professional Services	-	7,000	7,000
Rent	8,400	-	8,400
Supplies	5,980	-	5,980
Telephone	750	250	1,000
Transportation	5,695	-	5,695
Utilities	5,900	-	5,900
Total Expenses	<u>\$ 123,148</u>	<u>\$ 7,250</u>	<u>\$ 130,398</u>

See Accountants' Compilation Report.

GOD'S TEMPLE MINISTRY AND OUTREACH, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2008

Operating Activities	
Change in Net Assets	\$ (13,396)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Depreciation	291
Net loss on disposition of property	6,536
(Increase) decrease in:	
Grant Receivable	(560)
Increase (decrease) in:	
Accounts Payable	<u>6,750</u>
Net Cash Provided by (Used in) Operating Activities	<u>(379)</u>
 Net Increase (Decrease) in Cash and Cash Equivalents	 (379)
 Cash and Cash Equivalents at Beginning of Year	 <u>609</u>
 Cash and Cash Equivalents at End of Year	 <u>\$ 230</u>

See Accountants' Compilation Report.

GOD'S TEMPLE MINISTRY AND OUTREACH, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

God's Temple Ministry and Outreach, Inc. ("GTMO") is a not-for-profit organization organized under the laws of the State of Louisiana on December 31, 2003. Prior to then, GTMO had been operating as a corporation organized on January 2, 2002. GTMO is located in Bastrop, Louisiana and their primary purpose is to provide education and training services which will strengthen the capacity of youth and adults to be productive citizens and improve the living conditions and quality of life for socially and economically disadvantaged persons.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of GTMO are prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America where revenue is recognized in the period earned and expenditures are recorded in the period incurred and to which they pertain.

Not-For-Profit Accounting

GTMO reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted assets, and permanently restricted net assets. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. The organization does not have any temporarily restricted assets and permanently restricted net assets at December 31, 2008.

The net assets are composed of the following:

UNRESTRICTED UNDESIGNATED NET ASSETS – consist of assets and revenue available and used for current operations and expenditures for current programs, and amounts designated by the Board of Directors for long-term investment, equipment, or other specific purposes.

UNRESTRICTED PROPERTY AND EQUIPMENT NET ASSETS – consist of equipment and other fixed assets acquired and stated at cost. It includes fixed assets acquired by GTMO and amounts donated to assist with the acquisition, construction or renovation of fixed assets.

Uses of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

GOD'S TEMPLE MINISTRY AND OUTREACH, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents represent cash and all highly liquid debt instruments purchased with original maturities of three months or less.

Concentration of Credit Risk

GTMO's financial instruments that are exposed to concentrations of credit risk consist primarily of cash on deposit at a local financial institution. GTMO places its financial instruments with a high credit quality bank. Accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2008 GTMO had no uninsured deposits.

Concentration of Revenue

GTMO has contracted with the State of Louisiana, Department of Social Services for the Teen Pregnancy Prevention Program to provide certain services to the area. Approximately 99% of GTMO's funding is generated from this cooperative service contract. The remaining is generated from public support and reimbursements for certain expenses.

Advertising

GTMO incurred no advertising and promotion costs for the year ended December 31, 2008. Advertising costs are expensed when incurred.

Receivables

GTMO's receivables are reported at outstanding principal adjusted for chargeoffs. GTMO's policy for determining when receivables are deemed past due or delinquent is based on the nature of the receivable and the payment history of the receivable. Losses on receivables are recorded using the direct write-off method and are charged off in the period that the receivables are deemed uncollectible. Recoveries of receivables previously charged off are recorded when received.

Allowance for Doubtful Accounts

No allowance for uncollectible accounts has been provided since it is believed that the balance in accounts receivable is all collectible

Contributions

GTMO has adopted SFAS 116, "Accounting for Contributions Received and Contributions Made." Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

GOD'S TEMPLE MINISTRY AND OUTREACH, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Expenditures for office equipment are capitalized at cost. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated useful lives using the accelerated method. The depreciation periods are prescribed based on the type of property.

Maintenance, repairs and renewals that neither materially add to the value of the property nor appreciably prolong its life are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses on dispositions of property are reflected in the statement of activities.

Income Taxes

GTMO is qualified as a non-profit voluntary health organization that is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under Section 121 (5) of Title 47 of the Louisiana Revised Statutes of 1950. Therefore, no provision for income taxes is necessary.

Donated Services

In some instances volunteers have donated time to GTMO's program services. During the year, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

Functional Allocation of Expenses

Expenses by function have been allocated among program and supporting services classifications on the basis of estimates made by GTMO's management. Expenses are charged to the program based on direct expenditures incurred. There were no indirect costs charged during the contract period.

Programs

GTMO's principal program and primary funding source consists of:

Teenage Pregnancy Program – provides education to teenagers concerning prevention of pregnancy.

GOD'S TEMPLE MINISTRY AND OUTREACH, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008

NOTE 3 – PROPERTY AND EQUIPMENT

Expenditures for property and equipment are capitalized at cost. Property and equipment acquisitions are capitalized in excess of \$1,000. Assets acquired by gift or bequest are recorded at their fair market value at the date of transfer. When assets are disposed of, the cost related accumulated depreciation is removed from the accounts, and any gain or loss is recorded in operations.

Depreciation is computed using the straight-line method over the estimated service lives of the assets. A summary of changes in general fixed assets for the year ended December 31, 2008 follows:

<u>Assets Class</u>		<u>Service Life</u>
Furniture and Equipment	1,713	5-10 years
Less: Accumulated Depreciation	<u>(235)</u>	
Net Balance	1,478	

Depreciation for 2008 totaled \$291.

NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS

GTMO's financial instruments, none of which are held for trading purposes, consist primarily of cash on deposit at financial institutions. GTMO estimates that the fair value of all financial instruments at December 31, 2008 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position.

NOTE 5 – SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

No interest was paid in 2008.

NOTE 6 - TRANSACTIONS WITH AFFILIATES AND RELATED PARTIES

God's Temple Church

In January, 2007, GTMO entered into a lease agreement with God's Temple Church, a not-for-profit Louisiana corporation, to provide the facilities needed for the services GTMO provides. Both GTMO and God's Temple Church are governed by principally the same Board of Director members. The lease agreement provides for GTMO to pay God's Temple \$8,400 annually. In addition GTMO reimbursed God's Temple Church \$5,900 for utilities and other operating expenses.

**GOD'S TEMPLE MINISTRY AND OUTREACH, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008**

NOTE 6 - TRANSACTIONS WITH AFFILIATES AND RELATED PARTIES (CONT'D)

Other

GTMO incurred certain operating expenses to the Executive Director and various relatives during 2008. The following was incurred:

<u>Related Party</u>	<u>Contract Labor</u>	<u>Operating Expenses</u>
Jessie Tolbert	\$ 14,856	\$ 1,200
Kathy Cleveland	8,953	-
Denise Tolbert	8,630	300
Eric Tolbert	4,670	-
Rexo Tolbert	1,950	-
Alvin Tolbert	3,560	-
Shaquista Tolbert	3,910	-
Jamerson Tolbert	2,910	-

**GOD'S TEMPLE MINISTRY AND OUTREACH, INC.
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2008**

Findings Related to the Financial Statements that are required to be reported under *Government Auditing Standards*.

ML-2008-01

Finding:

God's Temple Ministry and Outreach, Inc. has an annual compilation reporting requirement to the Louisiana Legislative Auditor that is due by June 30 following the end of each calendar year. Failure to do so can result in a freeze on contract and grant monies earned.

Recommendation:

We recommend that the Organization engage an approved Certified Public Accounting firm to perform its annual compilation soon after the end of each calendar year to ensure that the compilation can be completed and submitted to the Legislative Auditor no later than June 30 following the end of each year.

Management Corrective Action Plan:

Management concurs with this finding and will engage an approved Certified Public Accounting firm in the time frame necessary to complete and submit the compilation report by the proper due date.